

# AGENDA

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## UTAH COUNTIES INDEMNITY POOL BOARD OF TRUSTEES MEETING

**Friday, June 3, 1:00 p.m.**

Purgatory Clay Sports, 5650 W 700 S, Hurricane, UT

1:00	Open Meeting, Pledge of Allegiance	Bruce Adams
ITEM	ACTION	
1	Review/Excuse Board Members Absent	Bruce Adams
2	Review/Approve April 21, 2016 Meeting Minutes	Karla Johnson
3	Ratification and Approval of Payments and Credit Card Transactions	Karla Johnson
4	Review/Approve Preliminary 2017 Budget for Rating Analysis	Sonya White
5	Review/Approve Coverage Addendum Amendments	Johnnie Miller
9	Review/Approve Policies of the Board	Bruce Adams
10	Review/Approve Strategic Plan	Bruce Adams
11	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Bruce Adams
12	Action on Personnel Matters	Brad Dee
13	Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation	Bruce Adams
14	Action on Litigation Matters	Dale Eyre
INFORMATION		
15	Monthly Educational Training	Johnnie Miller
16	Chief Executive Officer's Report	Johnnie Miller
17	Other Business	Bruce Adams

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## Utah Counties Indemnity Pool: Board of Trustees

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**Entity:** Utah Counties Indemnity Pool

**Body:** [Board of Trustees](#)

**Subject:** Administrative Services

**Notice Title:** Board of Trustees Meeting

**Notice Type:** Meeting

**Event Start Date & Time:** June 3, 2016 1:00 PM

**Event End Date & Time:** June 3, 2016 3:00 PM

### Description/Agenda:

Open Meeting, Pledge of Allegiance  
Review/Excuse Board Members Absent  
Review/Approve April 21, 2016 Meeting Minutes  
Ratification and Approval of Payments and Credit Card Transactions  
Review/Approve Preliminary 2017 Budget for Rating Analysis  
Review/Approve Coverage Addendum Amendments  
Review/Approve Policies of the Board  
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Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual  
Action on Personnel Matters  
Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigation  
Action on Litigation Matters  
Monthly Educational Training  
Chief Executive Officer's Report  
Other Business

### Notice of Special Accommodations:

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, 5397 S Vine, Murray, UT 84207, or call 800-339-4070, at least three days prior to the meeting.

### Notice of Electronic or telephone participation:

Any Member of the Utah Counties Indemnity Pool Board of Trustees may participate telephonically.

### Other information:

### Meeting Location:

5650 W 700 S  
Hurricane , 84737

[Map this!](#)

### Contact Information:

Sonya White  
801-565-8500  
[sonya@ucip.utah.gov](mailto:sonya@ucip.utah.gov)

### Download Attachments:

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**BOARD OF TRUSTEES' MEETING  
MINUTES**

June 3, 2016, 1:00 p.m.

Purgatory Sports Center  
5650 W 700 S, Hurricane, Utah

**BOARD MEMBERS PRESENT**

Bruce Adams, *President*, San Juan County Commissioner  
Bret Millburn, *Vice President*, Davis County Commissioner  
Karla Johnson, *Secretary/Treasurer*, Kane County Clerk/Auditor  
Alma Adams, Iron County Commissioner  
William Cox, Rich County Commissioner  
Brad Dee, Weber County Human Resources Director  
Dale Eyre, Sevier County Attorney  
Kerry Gibson, Weber County Commissioner  
Victor Iverson, Washington County Commissioner  
James Kaiserman, Wasatch County Surveyor  
Mark Whitney, Beaver County Commissioner  
Mike Wilkins, Uintah County Clerk/Auditor

**BOARD MEMBERS ABSENT**

Robert Dekker, Millard County Sheriff

**OTHERS PRESENT**

Johnnie Miller, UCIP Chief Executive Officer  
Sonya White, UCIP Chief Financial Officer

**Call to Order**

Bruce Adams called this meeting, of the Utah Counties Indemnity Pool's Board of Trustees, to order at 1:00 p.m. on June 3, 2016, and welcomed those in attendance.

**Review/Excuse Board Members Absent**

Alma Adams made a motion to excuse Robert Dekker from this meeting. Bret Millburn seconded the motion, which passed unanimously.

**Review/Approve April 21, 2016 Meeting Minutes**

The minutes of the Board of Trustees meeting held April 21, 2016 were previously sent to the Board Members for review (see attachment number one). William Cox made a motion to approve the April 21, 2016 Board of Trustees meeting minutes as written. Karla Johnson seconded the motion, which passed unanimously.

**Ratification and Approval of Payments and Credit Card Transactions**

Karla Johnson reported that she has reviewed the payments made, the payments to be made and the credit card transactions of the Pool as of April 22, 2016 through June 3, 2016 (see attachment number two). William Cox made a motion to approve the payments made, the payments to be made and the credit card transactions as presented. Kerry Gibson seconded the motion, which passed unanimously.



### **Review/Approve Preliminary 2017 Budget for Rating Analysis**

Sonya White provided the Board with a projected 2017 preliminary budget compared to the 2016 approved budget and six year audit of revenues and expenses (see attachment number three). Contributions are projected to increase approximately three percent based on the average increase in member exposures each year. A two percent increase in reinsurance costs have been projected as well as a reduction in administrative costs due to the savings in office lease space. The preliminary budget is one of the components used by the actuaries, By the Numbers Actuarial Consulting (BYNAC), to provide the Pool with the rating analysis. Karla Johnson made a motion to approve the Preliminary 2017 Budget for the Rating Analysis. James Kaiserman seconded the motion, which passed unanimously.

### **Review/Approve Coverage Addendum Amendments**

An electronic strikethrough copy of the UCIP Coverage Addendum amendments was previously provided to the Board along with a recommended revisions memorandum that summarizes each change (see attachment number four). Johnnie Miller reviewed each revision with the Board and recommended that the Board adopt the changes. Kerry Gibson made a motion to approve the Coverage Addendum Amendments as presented; the effective date of the revisions to be July 1, 2016. William Cox seconded the motion, which passed unanimously.

### **Review/Approve Policies of the Board**

Pursuant to the Board's discussion at their planning meeting yesterday, Pool management will prepare draft policies for the Board to review at its next meeting. Bret Millburn made a motion to strike agenda item: *Review/Approve Policies of the Board*. Alma Adams seconded the motion, which passed unanimously.

### **Review/Approve Strategic Plan**

Bret Millburn made a motion to strike agenda item: *Review/Approve Strategic Plan*. James Kaiserman seconded the motion, which passed unanimously.

### **Set Date and Time for Closed Meeting**

James Kaiserman made a motion to strike agenda item: *Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual*. Bret Millburn seconded the motion, which passed unanimously.

### **Action on Personnel Matters**

Johnnie Miller reported that an offer of employment has been extended to a potential candidate at \$45,000 per year. The candidate has countered at \$50,000. Brad Dee made a motion authorizing a wage up to \$50,000 per year for the available position at UCIP. Mark Whitney seconded the motion, which passed unanimously.

### **Set Date and Time for Closed Meeting**

Bret Millburn made a motion to strike agenda item: *Set Date and Time for a Closed Meeting to Discuss Pending or Reasonably Imminent Litigation*. Mike Wilkins seconded the motion, which passed unanimously.

### **Action on Litigation Matters**

Dale Eyre explained that Article 15 Conflict of Interest of Defense Counsel of the UCIP Bylaws needs to be updated to include additional language in regards to defense counsel consulting with attorneys suing a member. The Board will review language revisions for approval at the next meeting.

### Monthly Educational Training

William Cox reported that the Education Committee has developed a *Strategic Matrix* that will be used to make assignments to Board Members.

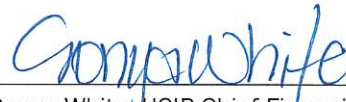
### Chief Executive Officer's Report

Johnnie Miller reported that the surplus analysis will begin in July and will be ready for the Board's review at their August meeting.

### Other Business

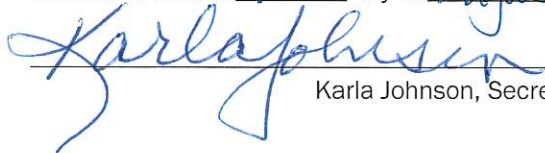
The next meeting of the Board of Trustees will be held Thursday, August 18, 2016 at 12:30 p.m. at the UAC/UCIP Offices, 5397 S Vine, Murray, Utah.

Prepared by:



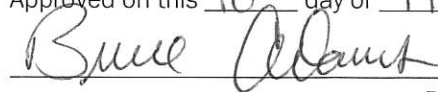
Sonya White, UCIP Chief Financial Officer

Submitted on this 18 day of August 2016



Karla Johnson, Secretary/Treasurer

Approved on this 18 day of August 2016



Bruce Adams, President





# Utah Counties Indemnity Pool Payments

April 22, 2016 - June 3, 2016

Type	Date	Num	Name	Memo	Amount
<b>500-000000-10010100 WFMLE</b>					
Total 500-000000-10010100 WFMLE					
<b>500-000000-10010100 ZionsHRA</b>					
Check	05/17/2016	BILLPAY	Parker Boice	HRA Reimbursement Jan-Apr 2016	-200.00
Total 500-000000-10010100 ZionsHRA					-200.00
<b>500-000000-10010100 ZionsMLC</b>					
Check	04/22/2016	ACH	Davis County	Claim: DAV0000162016	-538.10
Check	04/22/2016	ACH	Durham Jones & Pinegar	Invoice: 511359	-1,938.07
Check	04/22/2016	ACH	Mylar Law, PC	Invoice: 20160042	-6,101.00
Check	04/22/2016	ACH	Mylar Law, PC	Invoice: 20160041	-7,331.52
Check	04/22/2016	ACH	Mylar Law, PC	Invoice: 20160043	-7,438.60
Check	04/22/2016	ACH	Stirba, P. C.	Invoice: 01015007	-3,922.70
Check	04/22/2016	ACH	Stirba, P. C.	Invoice: 01017017	-10,071.77
Check	04/22/2016	ACH	Strong & Hanni	Invoice: 153852	-7,466.16
Check	04/22/2016	ACH	Strong & Hanni	Invoice: 153854	-1,534.50
Check	04/22/2016	ACH	Strong & Hanni	Invoice: 153855	-240.10
Check	04/22/2016	ACH	Strong & Hanni	Invoice: 153853	-29,011.46
Check	04/22/2016	ACH	Strong & Hanni	Invoice: 153856	-9,504.20
Check	04/28/2016	ACH	Dunn & Dunn	Invoice: 37591	-7,337.00
Check	04/28/2016	ACH	Mylar Law, PC	Invoice: 20160046	-7,296.62
Check	04/28/2016	ACH	Mylar Law, PC	Invoice: 20160047	-6,199.40
Check	05/03/2016	ACH	Hutton Law Associates, P.C.	Invoice: 00162	-2,066.47
Check	05/03/2016	ACH	Hutton Law Associates, P.C.	Invoice: 00161	-3,627.04
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287060	-2,653.00
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287060	-2,653.00
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287064	-3,992.50
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287068	-2,802.50
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287069	-4,915.88
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287070	-2,095.34
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287071	-2,139.25
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287072	-2,027.50
Check	05/03/2016	ACH	Suitter Axland	Invoice: 1287073	-1,780.17
Check	05/12/2016	ACH	Davis County	Claim: DAV0000012016	-434.96
Check	05/12/2016	ACH	Davis County	Claim: DAV0000162016	-116.10
Check	05/12/2016	ACH	Davis County	Claim: DAV0000152016	-1,528.91
Check	05/12/2016	ACH	Mylar Law, PC	Invoice: 20160048	-9,221.00
Check	05/12/2016	ACH	Mylar Law, PC	Invoice: 20160049	-5,742.90
Check	05/12/2016	ACH	Weber County	Claim: WEB0000162016	-320.48
Check	05/20/2016	ACH	Davis County	Claim: DAV0000172016	-2,022.00
Check	05/20/2016	ACH	Duchesne County	Claim: DUC0000052016	-819.10
Check	05/20/2016	ACH	Durham Jones & Pinegar	Invoice: 515638	-2,189.51
Check	05/20/2016	ACH	Frontier Adjusters, Inc.	Invoice: T589703	-435.10
Check	05/20/2016	ACH	Frontier Adjusters, Inc.	Invoice: T589218	-459.00
Check	05/20/2016	ACH	Mylar Law, PC	Invoice: 20160050	-2,957.78
Check	05/20/2016	ACH	Mylar Law, PC	Invoice: 20160051	-7,308.00
Check	05/20/2016	ACH	Orange Legal Technologies	Invoice: 4610628	-2,964.45
Check	05/20/2016	ACH	Stirba, P. C.	Invoice: 01015008	-7,984.09
Check	05/26/2016	ACH	Davis County	Claim: DAV0000192016	-561.75
Check	05/26/2016	ACH	Mylar Law, PC	Invoice: 20160054	-6,002.00
Check	05/26/2016	ACH	Weber County	Claim: WEB0000202016	-215.46
Check	04/26/2016	BILLPAY	Republic Services	Claim: WEB0000182016	-3,760.44
Check	04/26/2016	BILLPAY	Chris Hase	Claim: DAV0000122015	-544.00
Check	04/26/2016	BILLPAY	Christensen & Jensen	Invoice: 84697	-6,370.18
Check	04/26/2016	BILLPAY	Christensen & Jensen	Invoice: 84698	-7,670.14
Check	04/26/2016	BILLPAY	Christensen & Jensen	Invoice: 84699	-7,130.97
Check	04/26/2016	BILLPAY	Joshua Miller	Claim: WAT0000082016	-838.42
Check	04/26/2016	BILLPAY	Sanpete County	Claim: SAN0000092016	-459.60
Check	04/26/2016	BILLPAY	Shawnee Christensen	Claim: WEB0000142016	-7,449.88
Check	04/26/2016	BILLPAY	Wayne County	Claim: WAY0000052016	-2,766.78
Check	05/02/2016	BILLPAY	San Juan County	Claim: SAJ0000062016	-599.45
Check	05/02/2016	BILLPAY	San Juan County	Claim: SAJ0000052016	-704.78
Check	05/06/2016	BILLPAY	Cary Clark	Claim: IRO0000042016	-1,967.67
Check	05/06/2016	BILLPAY	Intermountain Medical Group	Account: 3003409363	-115.00
Check	05/06/2016	BILLPAY	Iron County	Claim: IRO0000052016	-4,478.85
Check	05/06/2016	BILLPAY	Uintah County	Claim: UIN0000062016	-1,908.70
Check	05/17/2016	BILLPAY	Brett Siddoway	Claim: WEB000152016	-7,427.09
Check	05/17/2016	BILLPAY	Washington County	Claim: WAS0000072016	-72.91
Check	05/24/2016	BILLPAY	Enterprise Rent-A-Car, Inc.	Invoice: 458TJH	-827.19
Check	05/24/2016	BILLPAY	Ogden City Fire Department	Invoice: 1980	-213.00
Check	05/24/2016	BILLPAY	San Juan County	Claim: SAJ0000072016	-3,359.91
Check	05/24/2016	BILLPAY	Shawnee Christensen	Claim: WEB0000142016	-634.15
Check	05/24/2016	BILLPAY	USAA	Invoice: 370826772	-1,910.12
Check	05/24/2016	BILLPAY	Wayne County	Claim: WAY0000062016	-3,445.17
Check	05/24/2016	BILLPAY	Sage Forensic Accounting	Invoice: 15491	-5,119.00
Check	05/25/2016	BILLPAY	USAA	Invoice: 370826772	-920.65
Check	05/31/2016	BILLPAY	Christensen & Jensen	Invoice: 84970	-12,153.48
Check	05/31/2016	BILLPAY	Christensen & Jensen	Invoice: 84971	-1,792.56
Check	05/31/2016	BILLPAY	Christensen & Jensen	Invoice: 84972	-4,447.50
Total 500-000000-10010100 ZionsMLC					-277,054.03

# Utah Counties Indemnity Pool Payments

April 22, 2016 - June 3, 2016

Type	Date	Num	Name	Memo	Amount
<b>500-000000-10010100 ZionsMLE</b>					
Liability Check	04/28/2016		QuickBooks Payroll Service	Created by Payroll Service on 04/26/2016	-11,507.10
Liability Check	05/12/2016		QuickBooks Payroll Service	Created by Payroll Service on 05/09/2016	-11,426.70
Check	04/30/2016			Service Charge	-114.36
Liability Check	05/27/2016		QuickBooks Payroll Service	Created by Payroll Service on 05/25/2016	-10,368.50
Check	04/28/2016	ACH	PEHP-LTD	Coverage Period: APR2016	-202.02
Liability Check	04/28/2016	ACH	Public Employees Health Program	Invoice Number: 0121769755	-6,088.61
Check	04/28/2016	ACH	James Kaiserman	Mileage Reimbursement	-51.84
Check	04/28/2016	ACH	Alma Adams	Travel Expenses	-237.31
Check	04/28/2016	ACH	Mark Whitney	Mileage Reimbursement	-217.08
Check	04/28/2016	ACH	Karla Johnson	Mileage Reimbursement	-329.94
Check	04/28/2016	ACH	Johnnie Miller	Expense Reimbursement	-382.14
Bill Pmt -Check	04/28/2016	ACH	By The Numbers Actuarial Consultin...	Invoice: 2016128	-1,000.00
Bill Pmt -Check	04/28/2016	ACH	County Reinsurance, Limited	Invoice: 04152016	-1,106.00
Bill Pmt -Check	04/28/2016	ACH	Les Olson Company	Invoice: EA646539	-37.84
Bill Pmt -Check	04/28/2016	ACH	Utah Association of Counties	Invoice: 95039	-125.00
Bill Pmt -Check	05/09/2016	ACH	HCA Asset Management, LLC	Invoice: 160486	-13,600.00
Bill Pmt -Check	05/09/2016	ACH	Suitter Axland	Invoice: 1287079	-90.00
Bill Pmt -Check	05/13/2016	ACH	Revco Leasing Company, LLC	Invoice: 425452	-435.91
Bill Pmt -Check	05/13/2016	ACH	Gallagher Bassett Services, Inc.	Invoice: 15048	-120.00
Bill Pmt -Check	05/13/2016	ACH	Workers Compensation Fund	2440767	-74,953.55
Check	05/13/2016	ACH	Duchesne County	WC 2015 Audit	-3,491.86
Check	05/13/2016	ACH	Kane County	WC 2015 Audit	-5,811.90
Check	05/13/2016	ACH	Piute County	WC 2015 Audit	-473.60
Bill Pmt -Check	05/26/2016	ACH	Whitney Advertising & Design, Inc.	Invoice: 22552	-1,002.00
Bill Pmt -Check	05/26/2016	ACH	Object Systems International, LLC	Invoice: 9261	-4,581.00
Check	05/27/2016	ACH	PEHP-LTD	Coverage Period: MAY2016	-199.85
Liability Check	05/27/2016	ACH	Public Employees Health Program	Invoice Number: 0121795406	-6,116.81
Check	05/02/2016	BILLPAY	Bruce Adams	Mileage Reimbursement	-324.00
Check	05/02/2016	BILLPAY	Bret Millburn	Mileage Reimbursement	-27.00
Check	05/02/2016	BILLPAY	Mike Wilkins	Mileage Reimbursement	-187.92
Bill Pmt -Check	05/02/2016	BILLPAY	Office Depot	35538769	-73.79
Bill Pmt -Check	05/11/2016	BILLPAY	Michelle Tanner-	TULIP Overpayment	-32.50
Bill Pmt -Check	05/11/2016	BILLPAY	Tyrell Stephens-	TULIP Event Overpayment	-7.75
Check	05/17/2016	BILLPAY	Daggett County	WC 2015 Audit	-3,283.14
Check	05/17/2016	BILLPAY	Iron County	VOID: WC 2015 Audit (Bank Returned Insufficient Address)	0.00
Check	05/17/2016	BILLPAY	Morgan County	WC 2015 Audit	-802.69
Check	05/17/2016	BILLPAY	San Juan County	WC 2015 Audit	-4,261.37
Check	05/17/2016	BILLPAY	Johnnie Miller	Expense Reimbursement	-240.52
Bill Pmt -Check	05/27/2016	BILLPAY	Robert Ward-	TULIP Overpayment	-31.93
Bill Pmt -Check	05/31/2016	BILLPAY	TCNS, Inc.	Invoice: 4799	-87.50
Bill Pmt -Check	05/31/2016	BILLPAY	TCNS, Inc.	Invoice: 6862	-147.50
Check	05/27/2016	BILLPAY	Iron County	WC 2015 Audit	-7,502.97
Liability Check	04/28/2016	ONLINE	Utah Retirement Systems	Confirmation Number: 042714371730	-7,969.85
Liability Check	04/28/2016	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-2,462.06
Liability Check	04/28/2016	ONLINE	United States Treasury	EFT ACKNOWLEDGEMENT NUMBER: 270651923511783	-4,446.94
Liability Check	04/28/2016	ONLINE	Utah State Tax Commission	Confirmation: 0-649-497-856	-1,484.23
Liability Check	05/12/2016	ONLINE	United States Treasury	EFT ACKNOWLEDGEMENT NUMBER: 270653320740986	-4,446.96
Bill Pmt -Check	05/09/2016	ONLINE	American Express	3-41009	-7,781.56
Liability Check	05/13/2016	ONLINE	United States Treasury	EFT ACKNOWLEDGEMENT NUMBER: 270653411662801	-200.32
Bill Pmt -Check	05/12/2016	ONLINE	Bankcard Center	Confirmation Number: 16051230962487	-248.64
Liability Check	05/27/2016	ONLINE	United States Treasury	EFT ACKNOWLEDGEMENT NUMBER: 270654840550023	-4,260.18
Liability Check	05/27/2016	ONLINE	Utah State Tax Commission	Confirmation: 0-246-598-912	-1,461.44
Liability Check	05/27/2016	ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-2,462.06
Liability Check	05/27/2016	ONLINE	Utah Retirement Systems	Confirmation: 052652144443	-7,912.65
Total 500-000000-10010100 ZionsMLE					-216,218.39
<b>TOTAL</b>					<b>-493,472.42</b>

# UTAH COUNTIES INDEMNITY POOL

	Audit 2010	Audit 2011	Audit 2012	Audit 2013	Audit 2014	Audit 2015	Approved 2016	Projected 2017
<b>Revenue</b>								
Contributions	\$ 5,710,287	\$ 5,922,572	\$ 6,282,067	\$ 5,085,489	\$ 4,590,930	\$ 5,150,384	\$ 5,823,876	\$ 6,000,000
Investment Income	281,162	496,448	416,547	(35,147)	546,841	194,776	50,000	78,000
Other Income	18,159	23,319	20,752	18,261	14,133	34,894	5,000	5,000
<b>Total Income</b>	<b>6,009,608</b>	<b>6,442,339</b>	<b>6,719,366</b>	<b>5,068,603</b>	<b>5,151,904</b>	<b>5,380,054</b>	<b>5,878,876</b>	<b>6,083,000</b>
<b>Underwriting Expense</b>								
Losses and Loss Adjustment Expenses	2,804,665	3,053,104	3,879,089	4,531,942	4,053,246	2,001,894	3,200,000	3,500,000
Reinsurance Expense	1,279,353	1,377,842	1,574,107	1,537,993	1,434,788	1,595,540	1,600,000	1,632,000
<b>Total Underwriting Expenses</b>	<b>4,084,018</b>	<b>4,430,946</b>	<b>5,453,196</b>	<b>6,069,935</b>	<b>5,488,034</b>	<b>3,597,434</b>	<b>4,800,000</b>	<b>5,132,000</b>
<b>Administrative Expense</b>								
Trustees	44,578	44,696	39,731	47,400	47,423	41,796	45,000	45,000
Depreciation	28,547	20,545	15,441	15,464	13,477	13,188	13,000	6,000
Risk Management	48,865	45,244	49,974	45,090	41,978	51,542	55,000	55,000
Public Relations	15,597	13,731	15,931	15,401	18,579	15,106	10,000	10,000
Office	181,940	179,231	185,933	172,855	160,214	188,001	125,000	85,000
Financial	78,542	39,503	144,812	119,919	90,466	71,301	125,000	75,000
Personnel	698,876	680,995	599,992	634,083	594,068	575,361	675,000	675,000
<b>Total Administrative Expenses</b>	<b>1,096,945</b>	<b>1,023,945</b>	<b>1,051,814</b>	<b>1,050,212</b>	<b>966,205</b>	<b>956,295</b>	<b>1,048,000</b>	<b>951,000</b>
<b>Dividend Expense</b>								
Total Dividend Expense	-	-	-	91,328	-	-	-	-
Total Operating Expense	5,180,963	5,454,891	6,505,010	7,211,475	6,454,239	4,553,729	5,848,000	6,083,000
Change in Net Position	\$ 828,645	\$ 987,448	\$ 214,356	\$ (2,142,872)	\$ (1,302,335)	\$ 826,325	\$ 30,876	\$ -

## BUDGET:

<b>Approved</b>								
Income	104.43%	103.00%	105.72%	96.91%	109.29%	104.21%		
Expense	90.34%	89.87%	102.35%	137.88%	106.61%	76.16%		
<b>Amended</b>								
Income	104.29%	106.40%	104.92%	97.31%	109.35%	102.87%		
Expense	90.20%	90.09%	101.57%	127.45%	93.20%	87.49%		



## Memorandum

**To: UCIP Board of Trustees**  
**From: Johnnie Miller**  
**Date: May 27, 2016**  
**RE: Recommended Coverage Addendum Revisions**

I have prepared a strikethrough copy of the Coverage Addendum with recommended changes for your consideration. This memorandum summarizes the changes recommended, with the exception of simple corrections to typos and formatting which are shown in the strikethrough copy. My recommendation is for the Board of Trustees to adopt the recommended changes with an effective date of July 1, 2016.

*(Page number refers to the electronic strikethrough version)*

### **Part I Coverage Declarations**

- Page 1        Table of Contents will be updated accordingly once changes have been approved
- Page 3        Change effective date to July 1, 2016
- Page 3        Change "Accidental Loss" and "Property and liability losses" to 'property and casualty losses' to match language in the Addendum
- Page 3,4      Add "and other Covered Parties" to recognize providing defense for employees when the county is obligated to provide that defense
- Page 4        This section sets out Arbitration as the method to resolve all disputes between a Member and the Pool. Page 74 of the Property section calls for mediation before suit is filed. Article 12 of the Bylaws indicates that arbitration may be used to resolve a dispute. Determine preferred method and place that language in the Interlocal, Bylaws or the General Conditions. If different methods are to be used for first party versus third party claims, then place language in each coverage section.

### **Part II General Coverage Conditions**

- Page 5        Add language in Claims Made Coverage section to clarify that all claims arising out of the occurrence or wrongful act are considered to be one claim and the date of claim for all such claims is the date the first claim is made
- Page 5        Delete language regarding reporting of a claim to the Pool, as this procedure is identified in each coverage part



- Page 5      Add language to clarify that claims made coverages cover claims that occur after the retroactive date and before termination of membership
- Page 5      Delete language regarding when a claim arising from a series of related acts is considered to have occurred, as it was duplicative language
- Page 6      Add Accidents, Wrongful Acts, negligent acts, errors and omissions to the Territorial Scope
- Page 6      Clarify that there is a different deductible for Flood than for other Property claims in the Deductibles section
- Page 7      Clarify notice to the Pool must be in writing, and what types of claims or events must be reported
- Page 7      Add Covered Party and Covered Party's agent to those obligated to provide information and assist the Pool with answering and defending claims
- Page 9,10    Add Accident, Occurrence, negligent act, error or omission to events that create a claim, and clarified the claims made date is the date the earliest related claim is made
- Page 10     Move language regarding the Governmental Immunity Act to General Conditions to assure this language applies to all claims. Also clarify that providing defense until such time there is an adjudication that the claim arose from dishonest, fraudulent or criminal acts is not a waiver of rights under the Addendum

### **Part III General Coverage Exclusions**

- Page 11     Add "criminal act" to dishonest act exclusion to clarify intent and follow industry language
- Page 11     Clarify that the exclusion to medical malpractice for medical doctors, dentists or psychiatrists does not apply to administrative activities of an employee of the Member, as long as such administrative activities does not result in a medical malpractice claim
- Page 11     Clarify language in exclusion to claims covered by workers compensation or occupational disease benefit laws
- Page 11     Clarify language regarding exclusion for declaratory judgement or injunctive relief
- Page 12     Clarify language regarding exclusion for terrorism, which excludes Terrorism for liability, and provides full limits terrorism for property coverage. We have the option of increasing the liability terrorism limit from the current sublimit of \$100,000 per occurrence to a \$3mm limit for an additional annual reinsurance charge of approximately \$7,500
- Page 12     Clarify exclusion to aircraft to include drones



Page 13 Clarify this exclusion extends to "Sexual Abuse" as defined and that "Sexual Harassment" is not excluded

Page 15 Delete exclusion for Sexual Abuse as it is now excluded under section III, M

#### **Part IV General Definitions**

Page 17 Revise and clarified definition of "Claim"

Page 17 Revise definition of "Covered Party" to delete reference to obligations to others by virtue of a contact

Page 18 Revise definition of "Damages" to follow definition in reinsurance agreements

Page 19: Include a definition of Membership Period

Page 20 Replace references to Addendum Period to Membership Period

Page 22 Delete the definition of "Ultimate Net Loss" as the term is not used in the Addendum

Page 22 Clarify the definition of "Wrongful Act"

#### **Part V Property Coverage Section**

Page 24-26 Alphabetize several Sublimits that were out of order

Page 24 Add Animals Used for Research sublimit

Page 25 Clarify that Fine Arts objects over \$10,000 in value must be scheduled

Page 25 Clarify causes of loss applicable to Landscaping and that there is no intent to cover all perils, such as drought

Page 26 Add Patient Evacuation Expense sublimit

Page 26 Clarify sublimit for Property in the Course of Construction and Soft Costs applies to any one Location

Page 26 Add Unscheduled Airport Runways to sublimits

Page 26 Clarify sublimit for Watercraft applies per occurrence and any one watercraft

Page 26 Clarify sublimit for wharves, piers, docks, pilings, and bulkheads applies per occurrence and location

Page 27-28 Make flood language consistent with other sections of the policy

Page 32 Clarify landscaping coverage is provided for Named Perils only

Page 32	Clarify that we cover pavements, sidewalks, and culverts, but not roadways, highways, and streets
Page 32	Add Athletic Fields to definition of Landscaping covered under the sublimit
Page 32	Clarify exclusion for animals and exception for animals held for research
Page 34	Define Animals Used for Research
Page 47	Add Unscheduled Airport Runways to Additional Coverages
Page 52	Add language for exception to damage to vehicles by insects, animals or vermin
Page 52	Add language to exclude Computer Virus and provide some coverage resulting from Defined Perils
Page 61	Add Patient Evacuation Expense to Time Element Coverage Extensions
<b>Part VII</b>	<b>Liability Coverage Section</b>
Page 89	Delete occurrence language in subsection c. of Coverage Agreement section
Page 90	Clarify definition of "Dam" based on reinsurer's definition
Page 91	Delete definition of "Money Damages" as definition of "Damages" is in General Definitions, and change "Money Damages" to "Damages" throughout Addendum
Page 91	Delete provision related to defense and indemnification for Sexual Harassment as section III. M already states Sexual Harassment is not excluded
Page 92	Delete exclusion to aircraft and aviation as the exclusion is in the General Exclusions section
Page 92	Delete exclusion to work related injury as a more specific exclusion is in the General Exclusions section
Page 92	Clarify exclusion to auto liability in the General Liability section
Page 92	Delete exclusion to dishonest, fraudulent or criminal acts as exclusion is in the General Exclusions section
Page 92	Delete exclusion to non-monetary relief as exclusion is in the General Exclusions section
Page 93	Add Wrongful Act to Occurrence for which defense is provided
Page 93	Clarify reference to Limits of Coverage
Page 94	Clarify reference to Member Schedule of Liability Limits and Sublimits

- Page 94-95 Delete reference to limitations of Governmental Immunity Act as language exists in the General Conditions section
- Page 95 Delete language related to continuous or repeated exposure as language exists in the General Conditions section
- Page 95 Change "Damages incurred by the Member" to "Damages the Covered Party become legally obligated to pay" to guard against unauthorized settlement by Member, and clarify defense for Covered Parties
- Page 95 Clarify language regarding indemnification of expenses
- Page 96 Delete exclusion to dishonest, fraudulent or criminal acts as exclusion is in the General Exclusions section
- Page 96-97 Delete the exclusion to aircraft and aviation as exclusion is in the General Exclusions section
- Page 97 Delete exclusion to non-monetary relief as exclusion is in the General Exclusions section
- Page 97 Add clarifying exclusions for debt financing, tax collection and fiduciary duties
- Page 97 Clarify reference to Member Schedule of Liability Limits
- Page 98 Revise language regarding costs and attorney fees to conform to other coverage parts
- Page 99 Revise exclusion to Bodily Injury and Property Damage to use defined terms and include Personal Injury, as these are covered under the General Liability section
- Page 101 Revise language regarding costs and attorney fees to conform to other coverage parts

**Part VIII Automobile Liability Coverage Section**

- Page 103 Delete definitions of Category 1&2 County Vehicles as we do not use this distinction in handling claims
- Page 104 Change references to "Accident" to "Occurrence" to coincide with reinsurance
- Page 104 Delete exclusion to work related injury as more specific exclusion is stated in the General Exclusions section
- Page 105 Delete reference to Category 2 County Vehicle as this classification is no longer used

## Endorsements

- Page 106 Revise language regarding costs and attorney fees to conform to other coverage parts
- Page 108 Clarify Herbicide and Pesticide Application limits apply per Occurrence
- Page 108 Clarify Auto Liability Limit applies on a per Occurrence basis
- Page 114 Delete language regarding Occurrence Claims prior to 2013 as not necessary
- Page 107-162 Update Addendum number references on all endorsements when effective date determined
- Page 137-149 Change "Covered Person" to Covered Party" throughout Cyber Liability forms to conform with other coverage parts
- Page 139-147 Change "Coverage Period" to before the Member withdraws or is terminated from the Pool throughout the endorsements to recognize the Addendum does not expire or renew
- Page 162 Add Part X Excess Liability Coverage Section to clarify that limits in excess of \$3,000,000 primary follow the same terms and conditions of the Addendum
- Formatting, numbering and additional typos will be corrected as the final version is prepared.

JRM/jrm

**CARSON WILLIAMS**  
9096 South 170 East, Sandy, UT 84070  
carswilliams4@gmail.com, (801) 694-0532

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**EDUCATION**

**University of Utah, David Eccles School of Business**  
*Bachelor of Arts, Finance – Summa Cum Laude*

Salt Lake City, UT  
December 2014

**Honors**

- 3.98 Cumulative GPA, Dean's List
- Sigma Alpha Pi Honor Society Member

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**EXPERIENCE**

**Goldman, Sachs & Co.**

*Senior Analyst – Global Compliance*

Salt Lake City, UT  
January 2015 – Present

- Developed and implemented various training programs to educate firm employees of new regulations; work with legal and outside counsel to interpret new state and federal laws and develop policies and procedures
- Partner with technology to upgrade firm compliance systems and automate risk controls
- Tested surveillance tool for outside vendor; negotiated contract details and serve as vendor relationship owner
- Serve as team lead and project manager for political law compliance; promoted to senior analyst in one year

**Goldman, Sachs & Co.**

*Analyst – Global Compliance*

Salt Lake City, UT  
January 2014 – January 2015

- Performed thorough analysis of political activity data in Microsoft Excel; reported findings and recommendations to firm management committee members to develop company-wide compliance strategy
- Reported on regulatory audits and exams from various US and international regulators
- Prepare and submit multiple federal and state filings

**The Church of Jesus Christ of Latter-day Saints**

*Portfolio Analyst Intern*

Riverton, UT  
August 2014 – December 2014

- Analyze transaction data in Microsoft Excel in order to create project and operational forecasts; meet with portfolio director weekly to provide budget reports; track and remediate internal IT audits

**Strong & Hanni Law Firm**

*Office Services Manager/Invoice Appeal Manager*

Sandy, UT  
June 2011 – August 2014

- Designed and implemented a new process to attorney fee deductions that saved the firm over \$43,000 in 2013; provided instruction and training for several teams of attorneys that resulted in savings of over \$21,000
- Promoted to oversee the appeal process for over 80 different cases; analyzed efficiency of invoice appeals through Microsoft Excel and reported conclusions to the accounting department weekly

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**ACTIVITIES**

**Selected as 1 of 12 students to participate in the 2014 Finance Week on Wall Street**

March 2014

- Researched and networked with alumni and friends of the University at organizations including Goldman Sachs, JPMorgan Chase, L3 Communications, and Pricewaterhouse Coopers

**Volunteer Church Representative**

January 2009 – January 2011

- Cultivated strong interpersonal skills by presenting messages through door-to-door marketing efforts for 10-12 hours a day; developed the ability to communicate fluently in the Spanish language

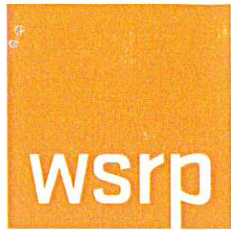
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**INTERESTS**

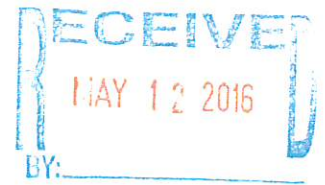
Passionate golfer with 8 handicap; played golf on over 40 courses throughout the USA and the Caribbean







CERTIFIED PUBLIC  
ACCOUNTANTS AND  
BUSINESS ADVISORS



May 9, 2016

To the Board of Trustees  
Utah Counties Indemnity Pool

We have audited the financial statements of Utah Counties Indemnity Pool (the Pool) for the year ended December 31, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 16, 2016. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Pool are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the Pool changed accounting policies related to measuring its net pension asset, net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense by adopting Governmental Accounting Standard No. 68, Accounting and Financial Reporting for Pensions, during the year ended December 31, 2015. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in Note 11. We noted no transactions entered into by the Pool during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Pool's financial statements was:

Management's estimate of the reserves for losses and loss adjustment expense is based on actuarial estimates with data and assumptions provided by management. We evaluated the key factors and assumptions used to develop the liability account in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We are happy to report that no such misstatements were identified.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April 28, 2016.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Pool's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Pool's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Trustees and management of the Pool and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*WSRP, LLC*

WSRP, LLC